

**Wednesday, June 16, 2004**

The Board met at its offices at 5901 Green Valley Circle, Culver City, at 9:00 a.m., with Ms. Migden, Chairwoman, Mr. Parrish, Vice Chairman, Mr. Leonard and Mr. Chiang present, Ms. Mandel present on behalf of Mr. Westly in accordance with Government Code section 7.9.

### **SPECIAL TAXES APPEALS HEARINGS**

**Serosh Alex Andranian and Irmgard M. Andranian, 136670**

7-1-98 to 12-31-00, \$63,862.45 Fee, \$00.00 Penalty

For Petitioner: Stephan H. Andranian, Attorney

For Property and Special Taxes Department: Judy Nelson, Tax Counsel

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Issues: Whether feepayers are liable for the Underground Storage Tank Maintenance Fee.

Whether interest owed on feepayers' Underground Storage Tank Maintenance Fee should be relieved.

Action: This matter was deferred to later in the day.

**Petros and Kay Karadjian, 118870, 118871**

1-1-93 to 9-30-00, \$255,510.78 Fee, \$25,551.10 Late Payment Penalty

1-1-93 to 9-30-00, \$236,041.46 Fee, \$23,604.17 Late Payment Penalty

**Mutari Investment Trust, 118868, 128614**

1-1-93 to 9-30-00, \$00.00 Fee, \$00.00 Late Payment Penalty

1-1-93 to 9-30-00, \$00.00 Fee, \$00.00 Late Payment Penalty

For Petitioner: Haig Keledjian, Attorney

For Property and Special Taxes Department: Judy Nelson, Tax Counsel

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Issues: Whether Peter and Kay Karadjian are the owners of the underground storage tanks at the locations in dispute.

Whether the eight-year time period on which the determinations are based is excessive.

Whether a clearance issued to the successor of a service station operator to protect it from liability for sales and use tax liabilities of the predecessor also acts as a clearance for the underground storage tank owner.

Whether petitioners' allegation that the Board failed to notify them of their responsibility to register and pay the underground storage tank fees warrants relief from the fees.

Whether the late payment penalty should be deleted.

Action: Upon motion of Ms. Migden and unanimously carried, Ms. Migden, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, the Board ordered that the petition be submitted for decision.

Mr. Leonard requested that staff look into legislation regarding similar successor liability and tax clearance procedures in the underground storage tank fee as sales and use tax law. Additionally, Ms. Migden requested staff to bring a recommendation to the Board at either the June 30, 2004 or August 24, 2004 meeting.

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Serosh Alex Andranian and Irmgard M. Andranian, 136670

7-1-98 to 12-31-00, \$63,862.45 Fee, \$00.00 Penalty

For Petitioner: Stephan H. Andranian, Attorney

For Property and Special Taxes Department: Judy Nelson, Tax Counsel

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Issues: Whether fee payers are liable for the Underground Storage Tank Maintenance Fee.

Whether interest owed on fee payers' Underground Storage Tank Maintenance Fee should be relieved.

Action: The Board deferred consideration of this matter to later in the day.

Ms. Migden requested staff to have all new information and recommendations prepared in writing.

Bonami, Inc. and Peter Karadjian and Kay Karadjian, 132656

3-14-96 to 9-30-00, \$58,659.87 Fee, \$5,866.01 Negligence Penalty

For Petitioner: Haig Keledjian, Attorney

For Property and Special Taxes Department: Judy Nelson, Tax Counsel

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Issues: Whether the determination is excessive.

Whether petitioners are the owners of the underground storage tanks located at 1436 Washington Boulevard, Montebello, California.

Whether the negligence penalty should be deleted.

Action: Upon motion of Ms. Migden and unanimously carried, Ms. Migden, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, the Board ordered that the petition be submitted for decision.

Mr. Leonard requested staff to develop a better method of administering the underground storage tank program.

Sung Ho Shin, 138555

7-1-99 to 8-31-00, \$58,281.30 Tax

For Petitioner:

Sung Ho Shin, Taxpayer

Troy S. An, Attorney

Paul Chun, CPA

Song Uk (Peter) Hwang, Witness

For Property and Special Taxes Department: Judy Nelson, Tax Counsel

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Issue: Whether petitioner provided sufficient credible evidence to show that he did not purchase the cigarettes in dispute.

Action: Upon motion of Ms. Migden and unanimously carried, Ms. Migden, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, the Board ordered that the petition be submitted for decision.

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**SALES AND USE TAX APPEALS HEARINGS****Charles Lewis and Lucille Lewis, 202683**

6-19-01 to 12-31-01, \$6,175.87 Tax

For Petitioner:

Charles Lewis, Taxpayer

For Sales and Use Tax Department:

Sharon Jarvis, Tax Counsel

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Issue: Whether petitioners purchased the motor home for use in California.

Action: Upon motion of Ms. Migden and unanimously carried, Ms. Migden, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, the Board ordered that the petition be submitted for decision.

**Andy Atighi, 206159**

10-12-00, \$686.15 Claim for Refund

For Claimant:

Andy Atighi, Claimant

For Sales and Use Tax Department:

Jeffrey Graybill, Tax Counsel

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Issues: Whether claimant purchased the vehicle in question for \$750, rather than the 7,500 sales price reported to the Department of Motor Vehicles by the seller.

Whether the negligence penalty was properly imposed.

Action: Upon motion of Ms. Migden and unanimously carried, Ms. Migden, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, the Board ordered that the petition be submitted for decision.

**Shumard Enterprises, Inc., 204056**

4-1-99 to 1-22-01, \$21,045.13 Tax, \$2,104.51 Negligence Penalty

**Jerry L. Shumard, 204055**

4-1-99 to 1-22-01, \$21,045.13 Tax, \$2,104.51 Negligence Penalty

For Petitioner:

George Simpson, CPA

Jerry Shumard, Taxpayer

For Sales and Use Tax Department:

Kevin Hanks, Hearing Representative

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Issues: Whether the evidence shows that the audited understatement of taxable sales is excessive.

Whether the evidence shows that the 10 percent penalty for negligence is not warranted.

Action: Upon motion of Ms. Migden and unanimously carried, Ms. Migden, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, the Board ordered that the petition be submitted for decision.

**SPECIAL TAXES APPEALS HEARING****Serosh Alex Andranian and Irmgard M. Andranian, 136670**

7-1-98 to 12-31-00, \$63,862.45 Fee, \$00.00 Penalty

For Petitioner:

Stephan H. Andranian, Attorney

For Property and Special Taxes Department:

Judy Nelson, Tax Counsel

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Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Issues: Whether fee payers are liable for the Underground Storage Tank Maintenance Fee.

Whether interest owed on fee payers' Underground Storage Tank Maintenance Fee should be relieved.

Action: Upon motion of Ms. Migden and unanimously carried, Ms. Migden, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, the Board ordered that the petition be submitted for decision.

### SALES AND USE TAX APPEALS HEARINGS

Melanie C. Greer, 157817

11-22-95, \$3,465.00 Tax, \$346.50 Failure to File Penalty

For Petitioner: Melanie Greer, Taxpayer

For Sales and Use Tax Department: Sharon Jarvis, Tax Counsel

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Issues: Whether petitioner is liable for use tax on her purchase of a vessel.

Whether abatement from the interest charges is warranted.

Action: Upon motion of Ms. Mandel, seconded by Mr. Chiang and unanimously carried, Ms. Migden, Mr. Parrish, Mr. Chiang and Ms. Mandel voting yes, Mr. Leonard abstaining, the Board ordered that the petition be redetermined with adjustments.

Mr. Leonard moved to grant the entire petition. The motion was seconded by Mr. Parrish but failed to carry, Mr. Leonard and Mr. Parrish voting yes, Ms. Migden, Mr. Chiang and Ms. Mandel voting no.<sup>1</sup>

Hermine Hayek, 169949, 190539

7-1-97 to 9-30-00, \$39,869.68 Tax, \$3,987.00 Negligence Penalty

10-1-00 to 12-31-01, \$6,778.40 Tax

For Petitioner: Alan Forester, Attorney

William Hillard, Attorney

For Sales and Use Tax Department: Kevin Hanks, Hearing Representative

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Issues: Whether the audited taxable store sales are excessive.

Whether the evidence shows that bulk sales from October 1, 2000 through December 31, 2001 were included in reported taxable sales.

Whether the evidence shows that adjustments are warranted to the audited markup for bulk sales.

Whether the evidence warrants deletion of the 10 percent penalty for negligence.

Action: Upon motion of Ms. Migden and unanimously carried, Ms. Migden, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, the Board ordered that the petition be submitted for decision.

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<sup>1</sup> Additional action was taken later in the day.

Wednesday, June 16, 2004

**Bosch Auto Center, Inc., 150660**

1-1-97 to 3-31-00, \$408,517.61 Tax, \$36,972.31 Negligence Penalty

For Petitioner: Juan Guzman, CPA

Ruben Perez, Representative

For Sales and Use Tax Department: Kevin Hanks, Hearing Representative

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Issues: Whether the Sales and Use Tax Department correctly determined the amount of petitioner's understatement of taxable vehicle sales.

Whether the evidence warrants deletion of the 10 percent penalty for negligence.

Action: Upon motion of Ms. Migden and unanimously carried, Ms. Migden, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, the Board ordered that the petition be submitted for decision.

**ABC NJ, Inc., 150661**

3-2-97 to 3-31-00, \$37,011.14 Tax, \$3,033.21 Negligence Penalty

For Petitioner: Juan Guzman, CPA

Ruben Perez, Representative

For Sales and Use Tax Department: Kevin Hanks, Hearing Representative

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Issues: Whether the Sales and Use Tax Department correctly determined the amount of petitioner's understatement of taxable vehicle sales.

Whether the evidence warrants deletion of the 10 percent penalty for negligence.

Action: Upon motion of Ms. Migden, and unanimously carried, Ms. Migden, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, the Board ordered that the petition be submitted for decision.

**Frank B. Winkfield, 170369**

7-1-97 to 12-31-00, \$34,967.14 Tax, \$3,496.75 Negligence Penalty

For Petitioner: Frank B. Winkfield, Jr., Taxpayer

George Padilla, Accountant

For Sales and Use Tax Department: Sandy McCaleb, Hearing Representative

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Issues: Whether the evidence establishes that audited taxable sales are excessive because credit card sales were erroneously counted twice.

Whether the evidence establishes that audited disallowed claimed sales for resale are excessive.

Whether the evidence entitles petitioner to additional deduction for tax-paid purchases resold.

Whether the evidence indicates the 10 percent penalty for negligence is warranted.

Action: Upon motion of Ms. Migden and unanimously carried, Ms. Migden, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, the Board ordered that the petition be submitted for decision.

Wednesday, June 16, 2004

**Charity Auction Services, LLC, 218316**

10-1-99 to 6-30-02, \$100,164.94 Tax

For Petitioner:

William P. Warden, Attorney

Karla Steele, Representative

For Sales and Use Tax Department:

Sharon Jarvis, Tax Counsel

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Issue: Whether documentation fees collected from customers are subject to sales tax.

Action: Upon motion of Ms. Migden and unanimously carried, Ms. Migden, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, the Board ordered that the petition be submitted for decision.

**Leon Massoth and Itzhak Daboush, 186474**

7-1-98 to 12-31-00, \$24,262.94 Tax

For Petitioner:

Leon Massoth, Taxpayer

John C. LeVine, Enrolled Agent

For Sales and Use Tax Department:

Kevin Hanks, Hearing Representative

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Issues: Whether the evidence shows that the 28.52 percent allowance for spoilage should be increased.

Whether the evidence shows that an adjustment should be made from exempt sales of seeds and plants which ordinarily constitute food for human consumption.

Action: Upon motion of Ms. Migden and unanimously carried, Ms. Migden, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, the Board ordered that the petition be submitted for decision.

**FINAL ACTION ON SPECIAL TAXES APPEALS HEARINGS HELD JUNE 16, 2004****Serosh Alex Andranian and Irmgard M. Andranian, 136670**

Final Action: Mr. Parrish moved to relieve interest for the 2000 tax year. The motion was seconded by Mr. Leonard but failed to carry, Mr. Parrish and Mr. Leonard voting yes, Ms. Migden, Mr. Chiang and Ms. Mandel voting no.

Upon motion of Ms. Migden, seconded by Ms. Mandel and duly carried, Ms. Migden, Mr. Chiang and Ms. Mandel voting yes, Mr. Leonard voting no, Mr. Parrish abstaining, the Board ordered that the petition be redetermined as recommended by the Appeals Division.

**Petros and Kay Karadjian, 118870, 118871**

Final Action: Upon motion of Ms. Mandel, seconded by Ms. Migden and unanimously carried, Ms. Migden, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, the Board ordered that the petition be redetermined as recommended by the Appeals Division.

**Bonami, Inc. and Peter Karadjian and Kay Karadjian, 132656**

Final Action: Ms. Mandel moved to redetermine the petition as recommended by the Appeals Division. Mr. Parrish made a substitute motion to remove the negligence penalty. The substitute motion was seconded by Mr. Leonard but failed to carry, Mr. Parrish and Mr. Leonard voting yes, Ms. Migden, Mr. Chiang and Ms. Mandel voting no.

**Wednesday, June 16, 2004**

Upon motion of Ms. Mandel, seconded by Ms. Migden and unanimously carried, Ms. Migden, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, the Board ordered that the petition be redetermined as recommended by the Appeals Division.

**Sung Ho Shin, 138555**

Final Action: Upon motion of Ms. Mandel, seconded by Ms. Migden and unanimously carried, Ms. Migden, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, the Board ordered that the petition be redetermined as recommended by the Appeals Division.

**FINAL ACTION ON SALES AND USE TAX APPEALS HEARINGS HELD  
JUNE 16, 2004**

**Charles Lewis and Lucille Lewis, 202683**

Final Action: Upon motion of Ms. Mandel, seconded by Mr. Chiang and duly carried, Ms. Migden, Mr. Chiang and Ms. Mandel voting yes, Mr. Leonard voting no, Mr. Parrish abstaining, the Board ordered that the petition be redetermined as recommended by the Appeals Division.

**Andy Atighi, 206159**

Final Action: Upon motion of Ms. Mandel, seconded by Mr. Chiang and unanimously carried, Ms. Migden, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, the Board ordered that the petition be redetermined as recommended by the Appeals Division.

**SALES AND USE TAX APPEALS HEARING**

**Lee-John Sobering, 89002235300**

10-1-93 to 12-31-96, \$26,346.41 Tax, \$00.00 Penalty

For Petitioner: No Appearance

For Sales and Use Tax Department: Randy Ferris, Tax Counsel

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Issue: Whether any of petitioner's charges are nontaxable on the grounds of repair, consulting, or installation.

Whether the Department properly disallowed claimed sales in interstate commerce.

Action: Upon motion of Ms. Migden, seconded by Ms. Mandel and unanimously carried, Ms. Migden, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, the Board ordered that the petition be redetermined as recommended by the Appeals Division.

**FINAL ACTION ON SALES AND USE TAX APPEALS HEARING HELD  
JUNE 16, 2004**

**Shumard Enterprises, Inc., 204056**

**Jerry L. Shumard, 204055**

Final Action: Upon motion of Ms. Migden, seconded by Ms. Mandel and unanimously carried, Ms. Migden, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, the Board ordered that the petition be redetermined as recommended by the Appeals Division.

Wednesday, June 16, 2004

**SALES AND USE TAX APPEALS HEARING**

Raymond Lew, 155675

10-1-95 to 3-31-98, \$31,298.29 Claim for Refund

For Petitioner: No Appearance

For Sales and Use Tax Department: Kevin Hanks, Hearing Representative

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Issue: Whether claimant is entitled to additional refund because the remaining estimated sales and disallowed sales for resale are overstated.

Whether claimant was negligent.

Whether relief from the 10 percent penalty for failure to file a return is warranted.

Whether relief from the penalty for failure to timely pay the determination (finality) is warranted.

Action: Upon motion of Ms. Mandel, seconded by Ms. Migden and unanimously carried, Ms. Migden, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, the Board ordered that the petition be redetermined as recommended by the Appeals Division.

**FINAL ACTION ON SALES AND USE TAX APPEALS HEARINGS HELD  
JUNE 16, 2004**

Melanie Greer, 157817

Final Action: Upon motion of Mr. Parrish, seconded by Mr. Leonard and unanimously carried, Ms. Migden, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, the Board ordered to delete the failure to file penalty.

Hermine Hayek, 169949, 190539

Final Action: Upon motion of Ms. Mandel, seconded by Mr. Chiang and unanimously carried, Ms. Migden, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, the Board ordered that the petition be redetermined as recommended by the Appeals Division.

Bosch Auto Center, Inc., 150660

Final Action: Upon motion of Ms. Migden, seconded by Ms. Mandel and unanimously carried, Ms. Migden, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, the Board ordered that the petition be redetermined as recommended by the Appeals Division.

ABC NJ, Inc., 150661

Final Action: Upon motion of Ms. Mandel seconded by Mr. Chiang and unanimously carried, Ms. Migden, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, the Board ordered that the petition be redetermined as recommended by the Appeals Division with the exception of the negligence penalty.

Upon motion of Mr. Leonard, seconded by Mr. Parrish and unanimously carried, Ms. Migden, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, the Board ordered that the negligence penalty be deleted.



**Wednesday, June 16, 2004**

**Frank B. Winkfield, 170369**

Final Action: Upon motion of Ms. Mandel, seconded by Mr. Chiang and unanimously carried, Ms. Migden, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, the Board ordered that the petition be redetermined as recommended by the Appeals Division.

**Charity Auction Services, LLC, 218316**

Final Action: Upon motion of Ms. Mandel, seconded by Mr. Chiang and unanimously carried, Ms. Migden, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, the Board ordered that the petition be redetermined as recommended by the Appeals Division.

**Leon Massoth and Itzhak Daboush, 186474**

Final Action: Upon motion of Mr. Chiang, seconded by Mr. Parrish and unanimously carried, Ms. Migden, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, the Board ordered to reduce the disputed measure of tax by 10 percent.

### **SALES AND USE TAX APPEALS HEARINGS**

**PC Technologies, Inc., 158416**

1-1-98 to 12-31-00, \$00.00 Tax, \$67,610.35 Fraud Penalty

For Petitioner:

Cruz Saavedra, Attorney

Carl Brigante, Taxpayer

Robert Anderberg, CPA, Witness

Frank Godos, Witness

For Sales and Use Tax Department:

Sharon Jarvis, Tax Counsel

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Issue: Whether the fraud penalty was properly imposed.

Action: Mr. Parrish moved to reduce the fraud penalty to negligence. The motion was seconded by Mr. Leonard but failed to carry, Mr. Parrish and Mr. Leonard voting yes, Mr. Chiang and Ms. Mandel voting no, Ms. Migden absent.

The Board deferred consideration of this matter to a later date.

**American Standard Auctioneers, Liquidators, Appraisers, LLC, 145706**

7-1-97 to 11-30-99, \$33,978.19 Tax, \$381.07 Failure to File and \$3,016.80 Negligence Penalties

For Petitioner:

Harold Kudler, CPA

For Sales and Use Tax Department:

Sandy McCaleb, Hearing Representative

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Issues: Whether the evidence establishes that the audited understatement of reported taxable sales is excessive.

Whether the 10 percent penalty for negligence should be deleted.

Whether relief from the 10 percent penalty for failure to file returns for the period October 1, 1999 through November 30, 1999 is warranted.

Action: Upon motion of Mr. Leonard, seconded by Mr. Parrish and unanimously carried, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, Ms. Migden absent, the Board ordered that the petition be submitted for decision, granting the petitioner 30 days to file supporting documents, the Department 30 days to respond, and the Appeals Division 30 days thereafter to review the petitioner's supporting documents, the Department's response and provide its recommendation to the Board.

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Akiva Sherman, 187472

10-1-98 to 9-30-01, \$1,164.61 Tax

For Petitioner:

Akiva K. Sherman, Taxpayer

For Sales and Use Tax Department:

Randy Ferris, Tax Counsel

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Issue: Whether the Sales and Use Tax Department may assert an increase to the audited taxable sales reimbursed by Medi-Cal.

Action: Upon motion of Mr. Parrish and unanimously carried, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, Ms. Migden absent, the Board ordered that the petition be submitted for decision.

The Board recessed at 11:50 a.m. and reconvened at 12:00 p.m. with Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel present.

**SALES AND USE TAX APPEALS HEARING**

Steve Gonzalez Alfaro, 198278

1-1-99 to 9-30-01, \$6,993.71 Tax

For Petitioner:

No Appearance

For Sales and Use Tax Department:

Randy Ferris, Tax Counsel

Contribution Disclosures pursuant to Government Code section 15626: None were disclosed.

Issue: Whether petitioner has provided sufficient credible evidence to show that the sales at issue qualify as exempt sales in foreign commerce.

Action: Upon motion of Ms. Mandel, seconded by Mr. Leonard and unanimously carried, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, Ms. Migden absent, the Board ordered that the petition be redetermined as recommended by the Appeals Division.

**FINAL ACTION ON SALES AND USE TAX APPEALS HEARING HELD JUNE 16, 2004**

Akiva Sherman, 187472

Final Action: Upon motion of Ms. Mandel, seconded by Mr. Leonard and unanimously carried, Mr. Parrish, Mr. Leonard, Mr. Chiang and Ms. Mandel voting yes, Ms. Migden absent, the Board ordered that the petition be redetermined as recommended by the Appeals Division.

The Board adjourned at 12:05 p.m.

*The foregoing minutes are adopted by the Board on August 24, 2004.*

Note: The following cases were removed from the calendar prior to the meeting: *Meza Family Enterprises, Inc.*, 198668; *Meza Body Shop Supplies, Inc.*, 198715; *Dennis Bruno*, 15042; and, *Marco A. Sanchez*, 89000214800.